

**CASE STUDY:**  
**CITY OF UPLAND**

<i>Population:</i>	64,000
<i>1990/91 General Fund</i>	
<i>Revenues:</i>	\$22 million
<i>Fund Balance:</i>	\$8 million
<i># URM:</i>	65
<i>Type of URM:</i>	100% commercial
<i>Ordinance Type:</i>	mandatory engineering reports (implementation deferred)
<i>Retrofit Incentives:</i>	(1) "soft cost" and facade rebate (2) bank loans
<i>Funding Source:</i>	(1) CDBG (2) commercial banks

#### BACKGROUND

The City of Upland sits at the foot of the San Gabriel Mountains approximately 40 miles east of Los Angeles along the I-10 corridor. Originally an agricultural community, the city is now primarily residential. Upland has a traditional downtown area in which the majority of its unreinforced masonry buildings (URMs) are located.

#### HAZARDOUS BUILDINGS PROFILE

The hazardous structures identified by Upland are primarily 1 or 2 story commercial URM buildings located in an eight-block section of Upland's old downtown. Most of the buildings are occupied by local merchants. Some structures have residential uses on the second floor. The majority are less than 5,000 square feet in floor area. Rents range from \$0.50 to \$0.85 per square foot. Many of the URM are of brick construction. Some of these structures share common walls and may have been a single unit at one time. Some of the altered facades hide historically significant details while others have been irreversibly changed.

### ORDINANCE

Upland chose to develop a retrofit ordinance based on the Palo Alto model (See: CASE STUDY - CITY OF PALO ALTO). The city's intent is to elicit voluntary action from the property owners by offering them incentives, invoking the mandate contained in the ordinance only if voluntary compliance is ineffective. The ordinance requires owners of URMs and of certain buildings containing 100 or more occupants to submit to the city's building inspection department engineering reports covering structural deficiencies and external hazards. The time allowed for submission of these reports ranges from 1 to 2 1/2 years, depending upon the building type. The ordinance exempts from this requirement owners of buildings which have been upgraded in accordance with either the Los Angeles Division 88 Standards or the 1973 or later edition of the Uniform Building Code. Under the ordinance, owners also are responsible for informing tenants that the report has been prepared, and for submitting to the building inspection department a plan for dealing with the hazards identified in the engineer's report. The ordinance provides that owners who do not comply may be guilty of a misdemeanor punishable by a maximum fine of \$500 or up to six months in jail, and that the city may order the building vacated and, ultimately, demolished.

The timelines for compliance contained in the ordinance are triggered when the building inspection department mails notices to owners informing them of the requirements established by the ordinance. In order to allow compliance to be voluntary rather than mandatory, the city has refrained from mailing these notices. The city plans to continue to defer the mailing as long as the retrofit incentive programs appear to be effective.

### INCENTIVE PROGRAM CONCEPT

The City of Upland's incentive program uses a 2 prong approach, one a publicly financed incentive and the other offering private financing. The publicly financed incentive is known as the *Upland Town Center Commercial Rehabilitation Rebate Program*. This program is designed to complement the overall strategy which the city has for the town center, and to provide incentives to landlords to improve the aesthetics of the town center as well as to eliminate public safety hazards. Under the program Upland will reimburse property owners up to \$10,000 for seismic engineering, architectural services, city fees and eligible facade improvements. In order to receive the rebate, owners must comply with all the facade improvements recommended by the city's Design Review Committee. Rebates are made after completion of all required seismic and facade work. Priority is given to projects which contain sales tax generating uses on the ground floor.

The private financing technique is called the *Upland Town Center Construction Loan Program*. To develop this program, the city worked with property owners and local banks to

negotiate terms upon which these banks would offer loans for purposes of seismic retrofitting. The five banks which participate in the program, all of which are based in or near Upland, have agreed to offer flexible loan origination fees, interest rates and repayment terms as well as other incentives to owners participating in the city's seismic retrofit program.

#### PROGRAM RESOURCE REQUIREMENTS

In designing the retrofit incentive program it was of particular importance to Upland that as little staff time as possible be required for development and administration. The city specifically did not want, for example, to implement or manage a low-interest amortized loan portfolio. The design of Upland's seismic retrofit program took approximately 100 hours of staff time over the course of the 9 month design period, which the city feels was very reasonable. The program was developed by the Planning Department with the assistance of Main Street Upland Inc., a group consisting of downtown property owners and merchants. The majority of staff time was devoted to meetings with local bankers and property owners. The city's staff spent a great deal of its time educating all the interested parties on the issues surrounding retrofitting. The city incurred some additional minor program costs, primarily for production of flyers and other program materials (See: EXHIBITS.)

Ongoing administration requirements of the program are minimal, and are incorporated into the regular functions of the planning department: all the work proposed under the ordinance is reviewed in the same manner as any other work proposed in town and all facade renovations go before the Design Review Board. The ordinance does allow the city to utilize the services of civil or structural engineers to review the reports submitted by building owners. The cost of these consultants would be recovered by a fee assessed from the building owner based upon the time required for the review. This fee would then be deducted from any plan checking fees collected for future construction work arising from the report.

To fund the public portion of the program the city used Community Development Block Grant (CDBG) funds (See: LOCAL GOVERNMENT FINANCING OPTIONS - COMMUNITY DEVELOPMENT BLOCK GRANTS). Upland became an entitlement city in 1988. In each of fiscal years 1990/91 and 1991/92 Upland's CDBG Citizens Advisory Committee agreed to allocate \$100,000 of the city's total entitlement (\$361,000 for FY 90-91 and \$410,000 for FY 91-92) to the seismic retrofit program. The level of program funding means that it will take at least 6 years for all the city's URM's to be retrofitted. Also, due to the current economy, some landlords are not able to take advantage of this program because they cannot afford the seismic retrofit.

An important aspect of the program is the fact that the facade improvement activities being funded are not labor intensive (with labor cost comprising less than 13% of total costs), and

therefore are not subject to certain HUD labor requirements. This allows implementation of and participation in the program to remain simple and inexpensive. The city developed a program description which accomplished HUD's National Objectives with respect to Slum and Blight. This source of funding has some shortcomings. As a result of recent regulatory changes, this source of funds has become self-limiting, as only 30% of CDBG funds can be used for slum/blight activities in any 1-to-3 year period.

### PROGRAM DEVELOPMENT

"Cooperation" is the word used most often by city staff to describe the successful development of the retrofit incentive program. The city's program was designed with the full support of the mayor and council, the CDBG Citizens' Advisory Committee and city staff. The most important ingredient to the development and success of the program is the spirit of cooperation among the banks, the owners, and the community. Bankers, URM owners, engineers, architects and the city's staff were all educated through their participation in the program development. This education also led to a sense of control on the part of participants which increased their willingness to take part in the program. Since the inception of the program the city and Main Street Inc. have each sponsored 2 informational workshops.

Upland is one of the few communities that has been successful in rallying some interest among its banking institutions in providing loans to property owners who need to retrofit their buildings. Development of the privately-funded portion of the program required much negotiation. A critical factor to the city's success is the fact that the banks involved are all relatively small and headquartered in or near the city. All have deep roots in the area and are committed to Upland's business community. All are interested in fulfilling Community Reinvestment Act requirements, too. (Note that reliance on the local banking community may mean that property owners with credit difficulties will not have access to the program funds.) The city originally suggested that the local banks create a pooled loan fund against which retrofit loans could be made. The banks, however, were uncomfortable with the concept and instead chose each to be more accommodating of owners' requests, individually deciding how best to meet the owners' needs.

Another factor contributing to the city's success is its requirement that owners perform both facade improvements and seismic upgrade work. This is also important to the banks, as facade improvements more obviously add value to the property being upgraded. In linking seismic and facade improvements, Upland also feels it is providing URM owners with more value for their retrofit dollar. The program continues to be very interactive, with the city maintaining its cooperative relationship with property owners. URM owners applying to the program receive a great deal of upfront feedback and review commentary as their project works its way through the system.

Developing the CDBG-funded public component also required patience, education, and cooperation. City staff worked closely with the CDBG Citizen's Advisory Committee, and spent some time working with HUD to develop an acceptable program description. Note that the city does not have a redevelopment area in the town center. Staff felt that having one would have made the process much simpler.

#### **PROGRAM EFFECTIVENESS**

The city feels the rebate program resulted in facade improvements above and beyond those directly reimbursable through the grants. All the funds in the rebate program have been conditionally committed, and there is a waiting list for the next funds which become available. Since the program's inception in early 1991, one building has been completely retrofitted under the incentive program. The bank-based construction loan program remains untested.

#### **PROGRAM STRENGTHS**

A major strength of the program is its simplicity. The application is easy to complete and the city is eager to assist property owners with their proposals for seismic and facade improvements. The program requires little incremental staff time, however, as owners easily can and do take the necessary steps on their own.

Because the program offers a rebate grant, with funds disbursed only after the improvements have been completed, the city does not need to be concerned about spending money prior to obtaining the desired results. Owners do have to worry about carrying the cost of engineering and other upfront expenses; however a \$10,000 grant represents a significant amount of money given labor costs in the city, which makes the money worth waiting for. Because projects can be completed on a timely basis, owners in fact end up carrying the costs for a relatively short time.

Finally, the city is finding that as participants in the programs undertake their projects, other owners are becoming less frightened of the cost and disruption of retrofit and are beginning the process themselves. The programs have thus acted as catalysts.

### KEYS TO SUCCESS

Upland's publicly funded incentive program relies on the fact that it is an entitlement city, and is willing and able to allocate a portion of its CDBG funds to a seismic retrofit program. Keys to the development of the privately-funded program included the concentration of hazardous buildings in a single area and the existence of an owners' organization active in that area, as well as the presence of a number of local banks willing to participate in the program.

### EXHIBITS

- Town Center Construction Loan Program
- Town Center Commercial Rehabilitation Rebate Program
- Excerpts from Commercial Rehabilitation Rebate Program Application Package:
  - + Cover Letter
  - + Final Application
  - + Program Guidelines
  - + Program Flow Chart
  - + Facade Improvement Guidelines
  - + Owner's Participation Agreement
  - + Selection Criteria for Engineering Services
  - + Directive for the Processing of Plans for Structural Modifications of Unreinforced Masonry Buildings

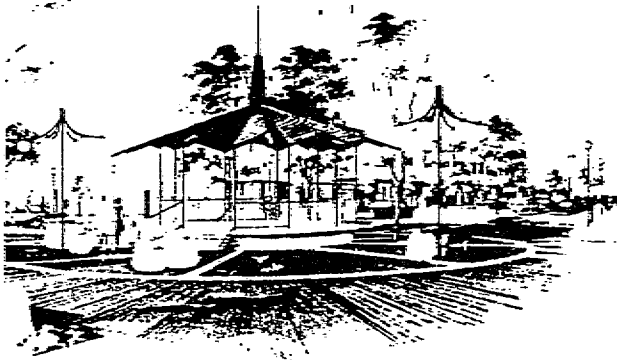
### CONTACTS

Mark Trabing	Housing and Development Specialist	(714) 982-1352
Jeffery Bloom	Planning Director	(714) 982-1352
John Raymond	Main Street Manager	(714) 949-4499

# CITY OF UPLAND

## EXHIBITS





## CITY OF UPLAND

*"The City of Gracious Living"*

460 No. Euclid Ave. P.O. Box 460  
Upland, California 91786  
(714) 982-1352

March 20, 1991

Dear Town Center Building Owner:

Thank you for submitting a Pre-application to the City of Upland Town Center Commercial Rehabilitation Rebate Program. This Pre-application helped us to determine the interest in this program. The interest is great and now we are ready to go. Enclosed please find the Final Application. To assist you in the process of obtaining a maximum of \$10,000 rebate for engineering, architectural services, city fees and eligible facade improvements, the City has developed the enclosed eight documents:

1. Commercial Rehabilitation Rebate Program Guidelines
2. Commercial Rehabilitation Rebate Program Flow Chart
3. Facade Improvement Guidelines
4. Final Application
5. Selection Criteria for Engineering Services
6. Owner's Participation Agreement
7. Interim Design Guidelines
8. Directive For the Processing of Plans for Structural Modifications of Unreinforced Masonry Buildings (for engineer or architect)

Please read this material carefully, and submit the Final Application as per the instructions, as soon as possible. Should you have any questions, please call me at 982-1352.

Sincerely,

Mark Trabing  
Housing and Development Specialist

## UPLAND TOWN CENTER Construction Loan Program

*Created and sponsored by:*

### **CITY OF UPLAND**

P.O. Box 460  
Upland, CA 91785  
(714) 982-1352

### **MAIN STREET UPLAND, INC.**

P.O. Box 364  
Upland, CA 91785  
(714) 949-4499

*A private lending program designed to  
assist Upland Town Center Property  
Owners with the seismic retrofit and facade  
improvement of their buildings.*

## **SUMMARY**

The Upland Town Center Construction Loan Program was established by the City of Upland, Main Street Upland, Inc., and the local lending community to help the Town Center property owners do two things: bring their buildings up to seismic building codes as required by city and state laws, and improve the appearance of the front and rear facades of their buildings.

The program is designed to be a flexible financing tool for the property owners, and to create an opportunity for the local lenders to participate in the seismic retrofitting -- and revitalization -- of the Upland Town Center. The creation of the Construction Loan Program reflects the willingness of the local lending community to fully support the revitalization effort in the Upland Town Center.

This program is designed to finance projects that would be more difficult to finance under conventional loan programs. There is a greater risk in the financing of downtown projects due to the age of the structures and the associated seismic risk.

The "risk" to lenders is reduced by following strict underwriting criteria

while supplying competitive financing rates. Additionally, only projects which have as their primary purpose the seismic reinforcement of the building are allowed to participate in the Program.

The Construction Loan Program is designed to work closely with the City of Upland's Commercial Rehabilitation Rebate Program, funded by Community Development Block Grant money. This program provides up to \$10,000 in rebates to cover the "soft" costs -- structural engineering and architecture, city fees -- as well as eligible facade work.

## **ELIGIBLE EXPENSES**

Eligible project expenses include seismic retrofit, such as shoring up or replacing walls and ceilings, replacing a roof, or construction of a roof diaphragm. (Note: All work may be eligible for loan program purposes if acceptable to the City. Rebate program has limitations relating to certain forms of work.)

## **RATE & TERMS**

The rate and terms of the program are not fixed; rather, the program is designed to provide flexibility to both owners and lenders. Depending on the

strength of the project and the owner's credit, there is the possibility of lower rates or more flexible terms. In most cases, the program provides the owners an opportunity to obtain financing (where they may not have been able to) and technical assistance for their projects.

## **APPLICATION PROCESS**

Borrowers must meet the application and credit criteria of the participating lenders. The City of Upland will make a preliminary determination of the project's eligibility, i.e. that the building requires seismic retrofit and is located in the Town Center target area. It is also anticipated that most of the borrowers will have applied to the City's rebate program as well. Eligibility for the rebate program will be determined upon review of the final application.

Each owner is encouraged to contact the participating lenders for more information about the application process. Each lender has different rates, application process, and set of criteria, so owners are encouraged to discuss their projects with more than one lender. The contact persons at each of the participating lenders are listed on the following page.

## **PARTICIPATING LENDERS**

### **Pomona First Federal Savings & Loan**

Ted Aiken, Assistant Vice President &  
Community Investment Officer  
550 Indian Hill Boulevard  
P.O. Box 3069  
Pomona, CA 91767  
(714) 625-4871

### **Upland Bank**

Dick Price, Vice President & Manager  
or Kitty Hill, Assistant Vice President &  
Assistant Manager  
100 North Euclid Avenue  
P.O. Box 5009  
Upland, CA 91785  
(714) 946-2265

### **Chino Valley Bank**

Russell E. Scranton, Vice President  
818 North Mountain Avenue  
P.O. Box 1309  
Upland, CA 91785  
(714) 946-6921

### **First Trust Bank**

Paul Stratton, Vice President & Manager  
Foothill Branch  
234 East Foothill Boulevard  
Upland, CA 91786  
(714) 983-0511, extension 440

### **Foothill Independent Bank**

Bill Davis, Vice President & Manager  
569 North Mountain Avenue  
Upland, CA 91786  
(714) 981-8611

For more information about the City of  
**Upland's Commercial  
Rehabilitation  
Rebate Program**, contact:

Mark Trabing, Housing & Development  
Specialist  
City of Upland  
460 North Euclid Avenue  
Upland, CA 91786  
982-1352

For more information about Town Center  
Construction Loan Program or available  
technical assistance, contact:

John Raymond, Director  
Main Street Upland, Inc.  
134 North 2nd Avenue, Suite G  
P.O. Box 364  
Upland, CA 91785  
949-4499

## **TOWN CENTER COMMERCIAL REHABILITATION REBATE PROGRAM**



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**\$10,000 GRANT REBATES FOR  
COMMERCIAL BUILDING  
OWNERS UNDERTAKING  
SEISMIC RETROFIT AND  
FACADE IMPROVEMENTS**

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### **CITY OF UPLAND**

**P.O. BOX 460  
UPLAND, CALIFORNIA 91786**

**(714) 982-1352**

## **SUMMARY**

The **Town Center Commercial Rehabilitation Rebate Program** will reimburse property owners of unreinforced masonry buildings up to \$10,000 for seismic engineering, architectural services, city fees and eligible facade improvements. Rebates will only be made after completion of all required seismic and facade work is complete.

A **Town Center Construction Loan Program** has also been established by local lenders in cooperation with Main Street Upland Inc. and the City. A separate brochure on this program is available from Upland Main Street Inc. or the City.

## **PROJECT ELIGIBILITY**

1. The project must be a commercial building located within the Upland Town Center.
2. The project must include:
  - A. Complete seismic reinforcement of the building to meet the City's Seismic Ordinance; and,
  - B. Eligible facade improvements approved by the Planning Department.
3. Priority will be given to projects which contain sales tax generating uses on the ground floor.

## ELIGIBLE EXPENSES

1. **Engineering Plans - Structural** engineering plans, including specifications and cost estimates of structural modifications are an eligible expense. Plans must be done by a licensed structural engineer. Seismic reinforcement of the unreinforced masonry structure must be in conformance with the Upland Seismic Ordinance.
2. **Architectural Plans - Plans for** facade improvements or seismic retrofit (including floor plans, elevations, colors and material samples, and any other appropriate specifications) may be required by the Planning Department. If these plans are done by an architect, then the architect's fee is an eligible rebate expense. Improvements to the facade must conform to the Upland Town Center Interim Design Guidelines.
3. **Facade Improvements - Supply** and installation of signs and awnings where the installation (labor) portion of the contract involves no more than an "incidental amount" (13% of the contract amount). For example, if the total cost of manufacturing and installing a sign is \$3000, and the installation portion of the contract is not over 13% of \$3,000 (\$390), you are eligible for a \$3000 rebate. If the installation or labor portion of the contract is over 13% you will not receive a rebate. Other facade improvements may qualify if they meet the criteria noted above.

## 4. City Fees -

A. **Building Department fees:** plan check fee and building permit fees are reimbursable. Make sure that your engineer does not include these costs in his engineering fee. You will need receipts for plan check and permits to submit to the Planning Department for a rebate after construction is completed. The cost of plan check fees and permit fees for the Building Department will depend upon the extent of construction required.

B. **Planning Department fees:**

A Design Review Board fee (\$90) and Conditional Use Permit fees (if required) are reimbursable.

For an application and a complete information packet on this program, call the City Planning Department.

## **CONTACT PERSONS**

### **For information on the overall Commercial Rehabilitation Rebate Program:**

Mark Trabing  
Housing & Development Specialist, City  
Planning Department  
460 North Euclid Avenue  
Upland, CA 91786  
(714) 982-1352 Ext. 252

### **For facade improvements and Design Review Board:**

John Atwater  
Senior Planner, City Planning Department  
460 North Euclid Avenue  
Upland, CA 91786  
(714) 982-1352 Ext 252

### **For information on the Town Center Construction Loan Program or other Town Center programs:**

John Raymond, Director  
Main Street Upland, Inc.  
Second Avenue Mall  
134 N. Second Avenue, Suite G  
Upland CA 91786  
(714) 949-4499

CITY OF UPLAND  
COMMERCIAL REHABILITATION REBATE PROGRAM

FINAL APPLICATION

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Property Information

1. Property Address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
2. Name of Tenant(s) \_\_\_\_\_  
\_\_\_\_\_  
(Please attach  
copy of lease) \_\_\_\_\_  
\_\_\_\_\_  
3. Property Owner  
Contact Person \_\_\_\_\_  
(If partnership  
attach Partner-  
ship Agreement) \_\_\_\_\_  
\_\_\_\_\_  
Address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Phone \_\_\_\_\_  
\_\_\_\_\_

-----  
Project Information

- |                    |   |  |
|--------------------|---|--|
| 4.                 | <u>Proposed Engineer</u><br>(for seismic) | <u>Proposed Architect</u><br>(for required facade<br>improvements, if an<br>architect is required) |
| Name:              | _____                                     | _____  |
| Address:           | _____                                     | _____  |
|                    | _____                                     | _____  |
| Phone:             | _____                                     | _____  |
| Contact<br>Person: | _____                                     | _____  |
-



Project Description

5. Give a detailed conceptual description of proposed facade improvements. Also describe seismic retrofit work if you are aware of what work is needed:

Seismic - \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Facade - \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Please attach a Preliminary Design of facade improvements (initial conceptual sketch of improvements) and a photograph of each exposed side of the building to be renovated. Specify in as much detail as you can, including colors and materials.

-----

Project Financing

6. Proposed sources of funding \$ \_\_\_\_\_

Owner's Cash Contribution \$ \_\_\_\_\_

Conventional loan funds \$ \_\_\_\_\_

Firm financial commitment? Yes \_\_\_\_\_ No \_\_\_\_\_

If yes, please attach documentation

Are you interested in learning more about the Commercial Rehabilitation Construction Loan Program offered by local private lenders? Yes \_\_\_\_\_ No \_\_\_\_\_

Commercial Rehabilitation Construction  
Loan funds needed \$ \_\_\_\_\_

If you are an owner-user of the building, are you interested in learning more about Small Business Administration (SBA) loan guarantee programs?

Yes \_\_\_\_\_ No \_\_\_\_\_

7. Signature

Date

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

The applicant certifies that the information contained in this application and attachments are true and that you have read and understand the Commercial Rehabilitation Rebate Program Guidelines.

## City of Upland Town Center

## COMMERCIAL REHABILITATION REBATE PROGRAM GUIDELINES

I. SUMMARY

The Upland Town Center Commercial Rehabilitation Rebate Program will reimburse property owners of unreinforced masonry buildings up to \$10,000 for seismic engineering, architectural services, city fees and eligible facade improvements. This document addresses the guidelines for this rebate program.

A Construction Loan Program has also been established by local lenders in cooperation with Main Street Upland Inc. and the City. A separate brochure which addresses this program, is available from Main Street Upland Inc. or the City.

II. PROJECT ELIGIBILITY

1. The project must be a commercial building located within the Upland Town Center.
2. The project must include: a) complete seismic reinforcement of the building to meet the City's Seismic Ordinance; and, b) eligible facade improvements approved by the Planning Department.
3. Priority will be given to projects which contain sales tax generating uses on the ground floor.

III. ELIGIBLE EXPENSES

1. Engineering Plans - Structural engineering work, including plans, specifications, and cost estimates of structural modifications, must be done by a licensed structural engineer. Seismic reinforcement of the unreinforced masonry structure must be in conformance with the Upland Seismic Ordinance. Also see a separate handout contained in this packet titled "Proposed Selection Criteria for Engineering Services."

2. Architectural Plans - Plans (including floor plans, elevations, colors and material samples, and any other appropriate specifications) may be required by the Planning Department's Design Review Board for review of facade improvements. If these plans are done by an architect, then the architect's fee is an eligible rebate expense.

Improvements to the facade must conform to the Upland Town Center Interim Design Guidelines.

3. Eligible Facade Improvements - Supply and installation of signs and awnings where the installation (labor) portion of the contract involves no more than an "incidental amount" (13% of the contract amount). For example, if the total cost of manufacturing and installing a sign is \$3000, and the installation portion of the contract is not over 13% of \$3,000 (\$390), you are eligible for a \$3000 rebate. If the installation or labor portion of the contract is over 13% you will not receive a rebate. Other facade improvements may qualify if they meet the criteria noted above. Please talk to Mark Trabing, Planning Department, before undertaking facade improvements (for which you want a rebate) other than signs and awnings. Also see a separate handout contained in this packet titled "Facade Improvement Guidelines."

4. Permits - The cost of the Building Department's 1) plan check fee and building permit fees are reimbursable. Make sure that your engineer does not include these costs in his engineering fee. You will need receipts for plan check and permits to submit to the Planning Department for a rebate after construction is completed. The cost of plan check fees and permit fees for the Building Department will depend upon the extent of construction required.

The cost of the Planning Department's 1) Design Review Board fee (\$90), and 2) Conditional Use Permit fees (if required) are reimbursable .

#### IV. PROCEDURES REQUIRED FOR A REBATE

1. Submit Final Application, along with attachments (detailed on the application) to the City's Planning Department C/O Mark Trabing, Housing and Development Specialist. Before submitting your application, when you are developing the conceptual idea of your facade improvements, it would be a good idea to talk to John Atwater or the "Current Planning" staff regarding various city requirements which may effect your facade proposal.
2. Planning and Building Departments will review the Final Application and determine if an architect is needed. You will either receive approval of your proposal by a Conditional Commitment letter or you will receive a request to discuss the proposed project with you.
3. Owner hires engineer and architect (if necessary).

4. Owner submits two sets of engineering plans to the City Building Department and one set to the Planning Department. Owner will also submit the Design Review Board Application (which will contain working drawings and specifications of facade improvements) to the Planning Department.
5. The Building Department and the Planning Department's Design Review Board review plans. Plans are approved or owner asked to revise.
6. After engineering plans and facade plans are approved, owner obtains contractor bids for work. Facade work must be under a separate contract than the seismic work.
7. Owner submits to the Upland Planning Department, C/O Mark Trabing : A) a copy of the successful bid(s) for eligible facade work, B) documentation of the cost of engineering and architectural plans, and C) documentation of the cost of permits, plan check fees, Design Review Board fees, and Conditional Use Permit fees (if any). The rebate is based upon the total of these costs.

After the rebate amount is agreed upon (before the beginning of construction), an Owner Participation Agreement (Agreement) will be executed between the City and the building owner. This Agreement will include in Attachment B of the Agreement, a Scope of Work and Budget (the amount of rebate to be paid to the building owner) upon completion of construction. The City will complete Attachment B once it is agreed upon between the City and the Owner. Do not begin seismic or facade improvements until all city approvals and building permits are issued.

8. Owner begins and completes construction.
9. After construction is completed, the building owner will submit to Mark Trabing: a) evidence of final approval of all related building permits; b) a copy of Design Review Board minutes of approval of facade improvements; c) photographs of completed facade improvements; d) invoices for all engineering and architectural design work and for facade work. The rebate designated in the Owner's Participation Agreement will then be paid to the building owner.
10. The amount of the rebate may only be modified by amending the Scope of Work in the Owner's Participation Agreement, and approved by the Housing and Development Specialist. Claims for reimbursements of items not contained in the Agreement and amendments will not be

honored. Facade improvements should be made within 180 days of signing of the Owner's Participation Agreement

Contact persons:

For information on the overall Commercial Rehabilitation Rebate Program:

Mark Trabing  
Housing & Development Specialist, Planning Department  
460 North Euclid Avenue  
Upland, CA 91786  
(714) 982-1352 Ext. 252

For facade improvements and Design Review Board:

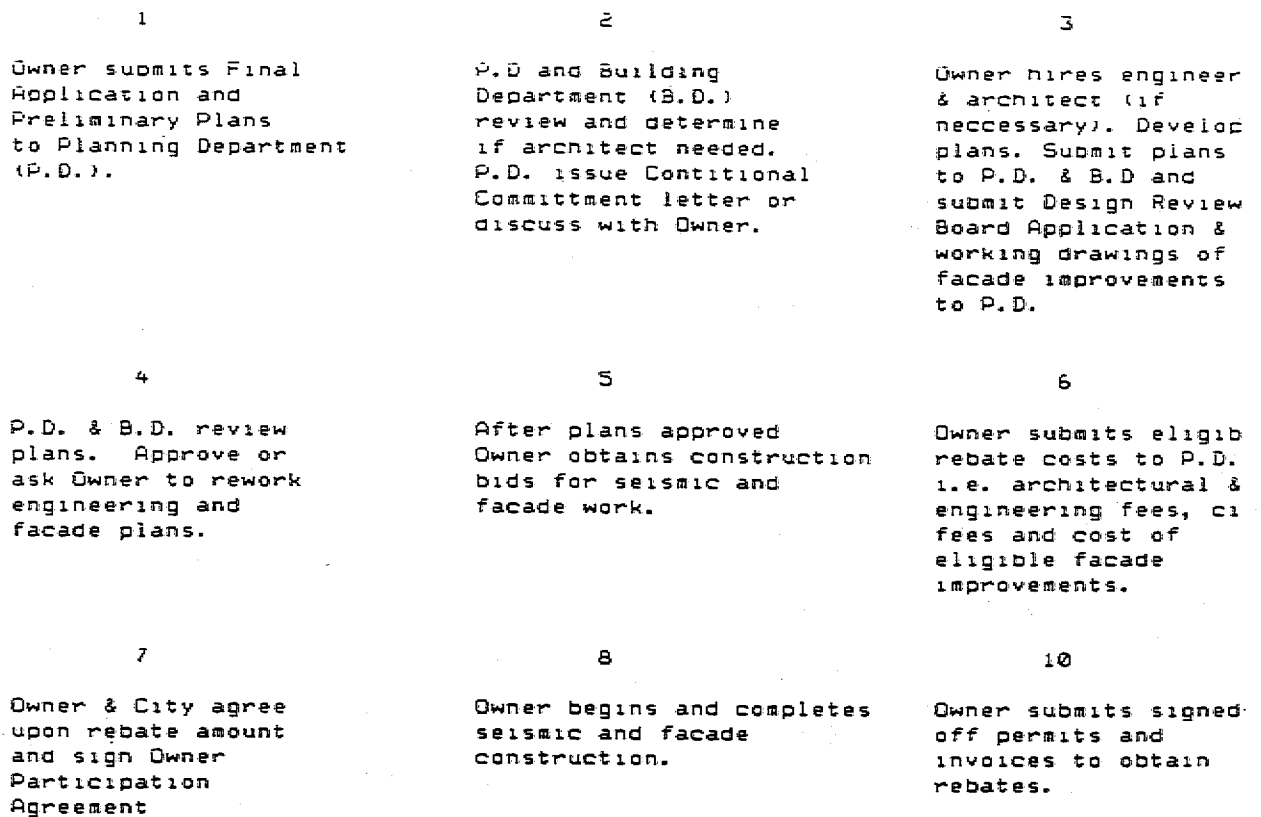
John Atwater  
Senior Planner, Planning Department  
460 North Euclid Avenue  
Upland, CA 91786  
(714) 982-1352 Ext 252

For information on the Commercial Constuction Loan Program or other Town Center programs:

John Raymond, Director  
Main Street Upland, Inc.

## TOWN CENTER COMERCIAL REHABILITATION REBATE PROGRAM

## FLOW CHART



Note: See "Commercial Rehabilitation Rebate Program Guidelines" for more detailed procedures.

City of Upland  
Commercial Rehabilitation Rebate Program

FACADE IMPROVEMENT GUIDELINES

The Commercial Rehabilitation Rebate Program has two purposes, assisting property owners to: 1) reinforce their unreinforced masonry buildings, and 2) improve the facade(s) of their buildings, at a level to be determined with the cooperation of the City Planning Department.

Due to federal regulations tied to the use of federal money, the City is restricted on the type of facade improvements it can reimburse owners for. The City will rebate eligible facade improvements, but may require other facade improvements not eligible for a rebate.

The total amount to be rebated will not exceed \$10,000 per building. The amount available for the cost of facade improvements is \$10,000 less the amount billed for engineering costs (for seismic retrofit) and for architectural services (which may be required for facade improvements) and permits (if not included in the engineering costs).

After reviewing your conceptual ideas for facade improvements in the Final Application, the Planning Department may require the building owner to hire an architect to draw plans of the facade improvements for submittal to the Design Review Board. The need for an architect will be made on a case by case basis depending upon the scope of work.

All facade improvements in the Town Center, regardless of participation in the Commercial Rehabilitation Rebate Program, are subject to the Design Review Board process. All facades should comply with all municipal codes including the sign ordinance, as well as the Town Center Interim Design Guidelines. The Planning Department will assist you in determining if your plans are in compliance.

The types of facade improvements you may wish to consider are the restoration, addition or replacement of the following types of facade improvements. The following facade improvements are not necessarily eligible for rebates.

- ornamentation and trim
- doors and windows
- columns or balustrades
- pavement surfaces



- roof systems visible from street
- inappropriate structural additions
- exterior lighting, attached to the building, not free-standing lighting in the public right of way
- landscaping - trees, planter boxes
- shutters
- commercial signs attached to buildings
- repointing of brick work, exterior water treatment
- remove obsolete signs and awnings
- awnings
- any other type of facade improvements you can think of

The following types of facade improvements are definitely eligible for a rebate if the labor portion of the contract is under 13% of the contract price:

Supply and installation of signs and awnings, where the installation portion of the contract involves not more than an "incidental amount" (13% of the contract amount). For example, if the total cost of manufacturing and installing a sign is \$3,000 and the installation portion of the contract is not over 13% of \$3,000 (or \$1,690), you will receive a \$3,000 rebate. If the installation or labor portion of the contract is over 13% you will not receive a rebate. Other facade improvements may qualify for a rebate if they meet the criteria noted above. This rather complicated formula is required by the federal government. Please talk to Mark Trabing, Planning Department, before undertaking facade improvements (for which you want a rebate) other than signs and awnings.

#### Facade Improvement Definitions

For the purposes of this program, the following definitions will apply:

Awnings/Canopy: A temporary, retractable shelter, that is supported entirely from the exterior wall of a building.

Codes: The latest editions of the City of Upland Building Code and Zoning Code.

Design Review: City Planning Department procedures that reviews plans for consistency with the Interim Design Guidelines and other Codes.

Design Guidelines: The Town Center Interim Design Guidelines, developed to ensure sensitive treatment of building exteriors.

Exterior Lighting: Lighting fixtures and the installation of same, attached or connected to a building undergoing

renovation. Exterior lighting does not include free-standing lighting in the public way.

Facade: The entire exterior surface of a building from grade to the roof line. Buildings that abut two streets and/or an alley, empty lot, parking area, or open space may have other faces considered facades at the discretion of the Planning Department.

Landscaping: Items such as trees, bushes, and planter boxes are eligible when considered integral to the facade treatment of the building. The Planning Department will determine eligibility.

Preliminary Design: Initial conceptual sketches of improvements based on the objectives of the owner(s). Preliminary designs are submitted with the Final Application.

Professional Fees: These costs include engineering and architectural services fees and do not include expenses spent on materials, physical improvements, equipment, or labor directly related to their installation.

Shutter: Moveable cover or screen for a door or window to provide protection from the elements.

Sign: Any commercial sign attached to the building which is consistent with the City of Upland Sign Ordinance and the Town Center Interim Design Guidelines.

Working Drawings and Specifications: The detailed drawings which show detailed methods of installation and materials and the specifications to be followed in the construction of the improvements.

City of Upland

COMMERCIAL REHABILITATION REBATE PROGRAM

OWNER PARTICIPATION AGREEMENT

THIS AGREEMENT made and entered into this \_\_\_\_\_ day of \_\_\_\_\_ 1991, by and between \_\_\_\_\_ (hereinafter "Owner") and the City of Upland, a municipal corporation, (hereinafter "City").

WITNESSETH

WHEREAS, Owner is owner of a commercial property commonly known as \_\_\_\_\_ Upland California (the "Property"), which is legally described in Exhibit "A" attached hereto,

WHEREAS, the property is in need of certain repairs and rehabilitation work, the cost of which has the effect of discouraging the upgrading of the property.

WHEREAS, City is the administrator of federal funds which may be used to provide incentives for the rehabilitation of commercial buildings, owned by a private for-profit business, where improvements are limited to the exterior of the building and the correction of code violations.

WHEREAS, Owner desires to undertake improvements to the building with the assistance of the financial incentives offered by the City.

NOW, THEREFORE, for and in consideration of their mutual promises, the Owner and the City hereby agree as follows:

1. REBATE AMOUNT: City shall reimburse Owner an amount not to exceed: \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) upon satisfactory completion of the rehabilitation work upon the property (the "Improvements") in accordance with the Scope of Work and Budget, attached hereto as Exhibit "B" and submission of acceptable evidence of full prior payment of all associated costs.
2. FINANCING: Owner agrees to finance the cost and expenses of constructing the Improvements and cost and expenses incidental thereto, using private funds.
3. TIME OF PERFORMANCE: Owner agrees to cause construction of the Improvements to be commenced and to be prosecuted with due diligence and good faith without delay, so that the same will be fully completed not later than \_\_\_\_\_ days after the date of this Agreement.

4. CHANGES IN WORK: Owner shall not permit any amendments or modification of the Improvements or the performance of any work pursuant to such amendments or modifications, without prior written consent of the City first being obtained with respect thereto.

5. RIGHTS OF INSPECTION: City shall have the right at any time and from time to time to enter the property for the purposes of inspection. Owner agrees to provide access to any such records pertaining to the project as the City may deem necessary to establish proper accounting of rebate amount.

6. INDEMNIFICATION: Owner shall indemnify, defend and hold harmless, the City its officers, agents, or employees from and against any loss, liability, or expense from defense costs, legal fees, and claims for damages that may arise or result from the wrongful acts or omissions or the allegedly wrongful or negligent acts or omissions of the Owner, its officers, agents or employees.

7. AGENCY: It is understood and agreed that the Owner is in no way the agent, employee or contractor for the City and the City will merely reimburse the Owner on the basis set forth in this contract for work and improvements done by the Owner.

8. USE OF DEBARRED CONTRACTORS: Owner shall not directly or indirectly employ, award contracts to, or otherwise engage the services of, any contractor during any period of disbarment, suspension or placement in ineligibility status by the U.S. Department of Housing and Urban Development (HUD) under the provisions of 24 CFR Part 24.

9. RELOCATION: Owner will not cause the displacement of any business, family or individual as defined under the Uniform Relocation Act, as a result of the project.

10. COMPLIANCE WITH REHABILITATION STANDARDS: All plans and specifications must comply with the City of Upland: Building and Fire Codes, Seismic Ordinance, General Plan and Zoning Ordinances and the Town Center Interim Design Guidelines.

11. THIRD PARTIES: This Agreement is made for the sole benefit of the Owner and the City and the City's successors and assigns, and no other person or persons shall have any rights or remedies under or by reason of this Agreement or any right to the exercise of any right or power of the City hereunder nor shall the City owe any duty whatsoever to any claimant for labor performed or materials furnished in connection with the construction of the Improvements.

IN WITNESS WHEREOF, The parties hereto have executed this agreement as of the day and year first set forth hereinabove.

"CITY"

By \_\_\_\_\_  
City Manager

"OWNER"

By \_\_\_\_\_

Attest

\_\_\_\_\_  
City Clerk

**CITY OF UPLAND  
COMMERCIAL REHABILITATION PROGRAM**

**SELECTION CRITERIA FOR ENGINEERING SERVICES**

The City of Upland will not select an engineering firm for the owner, nor will it recommend one firm over another. This document is intended to assist property owners in selecting a qualified and reliable engineering firm for their project. The enclosed requirements include those that the City of Upland will examine when the work is submitted, and gives each owner a set of criteria by which to judge several firms equally.

To be eligible for a rebate, any contract executed with an engineering firm must include language that the engineer has read and reviewed the Seismic Safety Ordinance and attests that the work to be performed is in compliance with it. The costs quoted in a proposal must include the costs of any and all testing to be performed on the structure, as well as the costs of all plans and specifications necessary for a building permit.

**I. Proposal Format**

Property owners are free to select their own engineers, but should judge firms based on proposals that address the criteria below. Before actually hiring any engineering firm, owners are encouraged to meet and discuss their projects with more than one firm. A description of each firm, for purposes of comparison between firms, should consist of a report including, but not limited to, the following:

- a. Approach and objectives
- b. Methodology
- c. Cost analysis for implementation
- d. Time frame for completion
- e. Firm/team description
- f. Relevant experience
- g. Key personnel
- h. References

**II. Scope of Work**

The engineer will be required to prepare plans, specifications, and cost estimates to enable the participating owner to proceed with appropriate structural modifications. Because several of the buildings in the Town Center may be eligible for historic designation, the engineer should show some knowledge of and experience in structural engineering and architectural rehabilitation of historic structures, even if the particular property in question is not a historic property. This may include knowledge and experience with the Secretary of the Interior's Standards for Historic Preservation and guidelines for applying the standards for stabilization, rehabilitation, and preservation. The Town Center Interim Design Guidelines loosely follow the Secretary of Interior's Guidelines, even for non-historical buildings.

Engineers will be required to apply these standards and guidelines to any and all modifications to buildings which may be eligible for historic certification. These are buildings which have been identified on the City's Historic Buildings Survey.

For any building, whatever its historic status, the engineer will be required to submit to the Building Department materials sufficient to comply with Section 8109.09 (the reporting section) of the City of Upland Earthquake Safety Ordinance. The text of that section follows:

City of Upland Building Department  
Text of Seismic Ordinance Referring to Engineer's Report

## Section 8109.09

.050 Format for the Report. The following is a basic outline the format each engineering report should follow. This outline is not to be construed to be a constraint on the professional preparing the report, but rather to provide a skeleton framework within which individual approaches to assembling the information required by the ordinance may be accomplished. It will also serve as a means for the City to evaluate the completeness of each report.

.0010 General Information. A description of the building including:

- (i) the street address;
- (ii) the type of occupancy use within the building, with separate uses that generate different occupant loads indicated on a plan showing the square footage of each different use;
- (iii) plans and elevations showing the location, type and extent of lateral force resisting elements in the building (both horizontal and vertical elements)
- (iv) a description of the construction materials used in the structural elements and information regarding their present condition;
- (v) the date of the original construction, if known, and the date, if known, of any subsequent additions or substantial structural alterations of the building;
- (vi) the name and address of the original designer and contractor, if known, and the name and address of the designer and

contractor, if known, for any subsequent additions or substantial structural alterations.

.0020 Investigation and Evaluation of Structural Systems. All items to be investigated and the methods of investigation for each type of building under consideration are contained in Appendices A and B, available from the city's building inspection department.

.0030 Test Reports. All field and laboratory test results shall be included in the report. Evaluation of the significance of these test results shall be made with regard to each structural system or typical connection being evaluated. This evaluation may be limited to a statement of the adequacy or inadequacy of the system or connection based on the lateral load demand it would be required to resist by calculation. If tests reveal inadequacy, a conceptual solution must be included in the report.

.0040 Conclusions. Based on the demand/capacity ratio and the specific evaluation items contained in Appendices A or B attached to the ordinance codified in this chapter, a statement shall be provided explaining the overall significance of the deficiencies found to exist in the building's lateral force resisting system regarding potential collapse or partial collapse failure.

CITY OF UPLAND  
DIRECTIVE FOR THE PROCESSING OF PLANS  
FOR STRUCTURAL MODIFICATION OF UNREINFORCED MASONRY  
BUILDINGS

The Upland Building Department has identified approximately 67 unreinforced masonry buildings within the City. These structures are susceptible to failure in the event of a moderate or strong earthquake. To ensure the safety of the public, the Upland City Council has enacted the Seismic Hazards Ordinance which establishes the process for stabilizing these structures.

To facilitate the seismic stabilization review process, an outline of the process, and the major issues of concern are listed below.

- I. SCOPE OF PROJECT MEETING: With the initial contact between the applicant and the Planning Department, a joint meeting with the Building and Planning Departments, the developer, project engineer or architect will be scheduled. The purpose of the meeting will be to explore the scope of the proposed seismic reinforcement project. If the project location is within the Town Center boundaries, the applicant will receive a copy of the Interim Design Guidelines which outlines the design issues for that area.

The scope of project meeting will also discuss the potential effects of the structural modifications to the architectural integrity of the exterior of the building and the potential future use of the interior.

- II. PROJECT REVIEW PROCESS Any or all of the following boards may review the project. Check with the Planning Department project coordinator for further information:

- A. Administrative Committee
- B. Design Review Board
- C. Environmental Review Board
- D. Planning Commission (public hearing)
- E. Redevelopment Agency
- F. City Council



### III. REQUIRED CONSTRUCTION PLAN CONTENT:

#### A. PLANS FOR PLANNING DEPARTMENT

Architectural plans including elevations and floorplans shall be submitted. Plans shall note any proposed modifications to the interior or exterior of the building. Color and material modifications shall also be completely noted and detailed on the plans.

The architectural plans shall also include notes and/or details on the following:

1. Proposed color and/or material changes.
2. Modification to any door and/or window openings, frames or hardware.
3. Modification of exterior pediments, parapets or ornamentation.
4. Removal of or repainting of exterior surfaces. (The methods of paint removal shall be completely noted and detailed on the plans).
5. Addition or removal of awnings or shade providing devices.
6. Removal and/or replacement of exterior facade treatment. (The methods of material removal shall be completely noted and detailed on the plans).
7. Proposed modifications to existing ceiling levels.
8. Proposed locations of interior columns or walls.
9. Addition of brick veneer.

#### B. PLANS FOR BUILDING DEPARTMENT:

Structural plans shall be submitted, including notes and details of any proposed additions or modifications to the interior or exterior of the building. Plans shall include details and locations of the following:

1. The addition of structural frames.
2. The addition or removal of cross or partition walls.
3. All connection details between the roof and wall, floor and wall, or wall to wall.
4. A statement of the theory or methodology followed in accordance with the City of Upland Seismic Ordinance.
5. The statical system used for the stabilization or retrofitting of the structure.
6. The details and description of the parapet connections to the roof diagram.

- IV. CONTRACTOR LIST Applicant's shall submit a listing of the names and phone numbers of all contractors and subcontractors involved in the project to the Building and Planning Departments. This list shall be kept current and specifically identify the responsibilities of each contractor or sub-contractor.
- V. PERIODIC INSPECTIONS The Building and Planning Departments will schedule special, periodic inspections with contractor and/or sub-contractors, prior to commencement of work during various stages of construction. The inspections are on an as need basis, determined by the City staff or at the request of the developer or contractor. The intent of the inspections is for clarification of methods or materials as described on plans submitted to the Building and Planning Departments.

All existing regulations for the processing of building permits and the associated requirements will be the same as for any other structural modification to an existing building.

This directive in no way precludes additional review by the City as determined necessary by the Chief Building Official or the Planning Director.

JZ 8/90